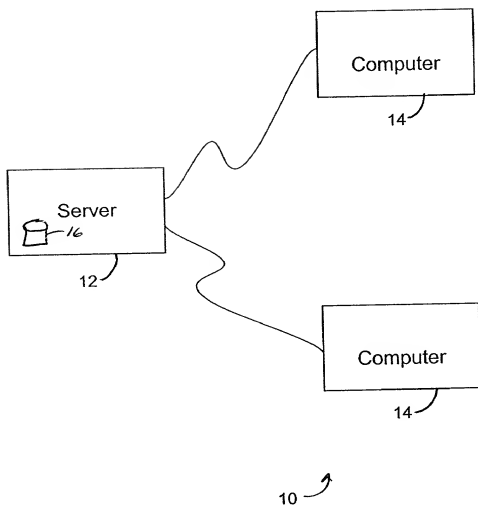
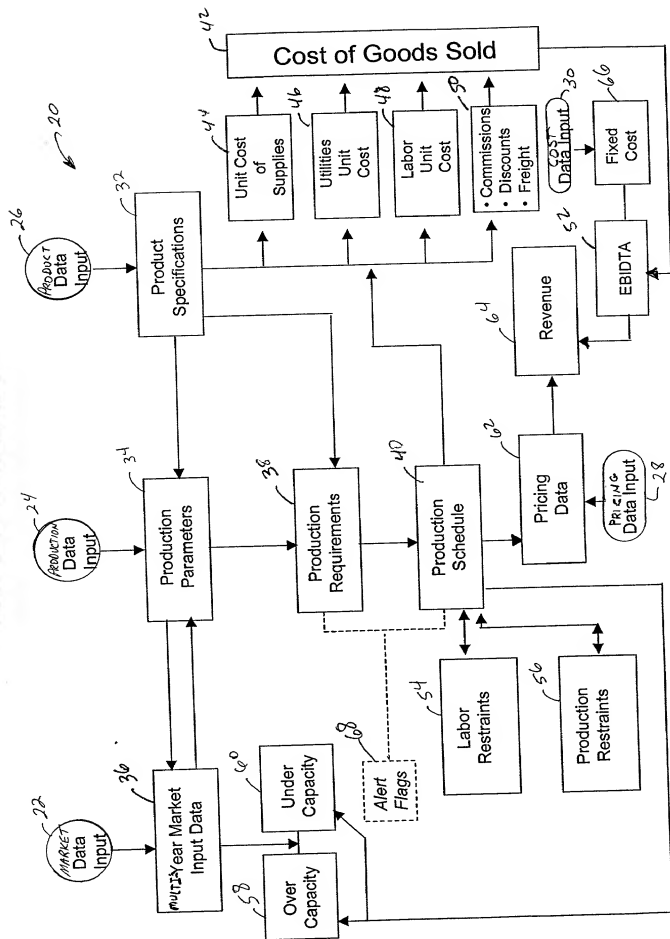


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FIGURE 1



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K-100

104

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Operating Expenses

	Jan 1999	Feb 1999	Mar 1999	Apr 1999	May 1999	Jun 1999	Jul 1999	Aug 1999	Sep 1999	Oct 1999	Nov 1999	Dec 1999	1999	2000	2001	2002
Advertising & Promotion	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Bank Charges	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Benefits	12,569	12,569	12,569	12,569	12,569	12,569	12,569	12,569	12,569	12,569	12,569	12,569	12,569	12,569	12,569	12,569
Commissions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance Employee	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300
Miscellaneous	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Postage	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Professional Fees	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Salaries	125,918	125,918	125,918	125,918	125,918	125,918	125,918	125,918	125,918	125,918	125,918	125,918	125,918	125,918	125,918	125,918
Telephone	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525
Travel	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Utilities	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
General reduction TBD	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000
Other income & expenses	105,650	105,650	105,650	105,650	105,650	105,650	105,650	105,650	105,650	105,650	105,650	105,650	105,650	105,650	105,650	105,650
Total Fixed Cost	\$44,68	\$44,72	\$44,72	\$44,72	\$44,72	\$44,72	\$44,72	\$44,72	\$44,72	\$44,72	\$44,72	\$44,72	\$44,72	\$44,72	\$44,72	\$44,72
Other income & expenses	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Bad debts	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Lease amortization	433,000	433,000	433,000	433,000	433,000	433,000	433,000	433,000	433,000	433,000	433,000	433,000	433,000	433,000	433,000	433,000
Supplier rebates	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Income & Expense	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500
Total Other Income & Expense	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500	\$38,500

FIG. 3

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Utility Allocation

	Budgeted Cost Per Ton Produced
Electric	47.35
Gas	23.59
Sewer	1.46
Water	2.79
Total	75.19

Utilities charged at \$76.00 for each ton produced. Allocated between papermaking and converting based upon out side parent roll sales.

<i>Electric</i>		Gas (New supplier in 3/98)	Cost per Ton
Electric cost fiscal 1998	1,220,073	Month	Mar-98 26.44
Tons Produced	25,767		Apr-98 24.40
Cost per Ton	\$47.35		May-98 23.01
			Jun-98 23.17
Water			Jul-98 21.94
Water cost fiscal 1998	71,807		Aug-98 21.89
Tons Produced	25,767		Sep-98 24.29
Cost per Ton	2.79		
		Total	165.14
		Average	23.59

Sewer	Cost Per
Month	Month
Mar-98	-653
Apr-98	5,167
May-98	5,604
Jun-98	3,213
Jul-98	1,431
Aug-98	-449
Sep-98	5,730
Total	20,043
Tons Produced	13,708
Average	1.46

FIG. 5

002221.298760

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BRAND COST SUMMARY

Profit/Loss

PCMC Series 250 Center Window Line 2

Brand Code	U	T	S3	O	P	M	N	M2	NN	S2	OO	P2
Packs/Case	4	8	8	12	24	4	8	4	6	8	12	24
COST/CASE												
Paper	\$2.99	\$2.99	\$4.01	\$4.02	\$4.02	\$4.02	\$4.02	\$4.02	\$4.03	\$4.03	\$4.03	\$4.01
Chemicals	\$0.15	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37
Repairs & Supplies	\$0.09	\$0.09	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11
Labels	\$0.50	\$0.50	\$0.68	\$0.68	\$0.68	\$0.68	\$0.68	\$0.68	\$0.68	\$0.68	\$0.68	\$0.66
Printing												
Wrapper	\$0.51	\$0.47	\$0.32	\$0.35	\$0.48	\$0.51	\$0.48	\$0.51	\$0.57	\$0.43	\$0.44	\$0.35
KD	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03
Fin Core Bk	\$0.43	\$0.43	\$0.43	\$0.43	\$0.43	\$0.43	\$0.43	\$0.43	\$0.43	\$0.43	\$0.43	\$0.43
Adhesives	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11
Total Packaging	\$1.07	\$1.03	\$1.48	\$1.51	\$1.45	\$1.69	\$1.62	\$1.67	\$1.73	\$1.56	\$1.61	\$1.51
Labor	\$1.45	\$1.49	\$2.40	\$2.40	\$2.47	\$2.47	\$2.47	\$2.47	\$2.47	\$2.47	\$2.47	\$2.40
Total Variable	\$7.46	\$7.42	\$10.64	\$10.68	\$10.70	\$10.93	\$10.88	\$10.91	\$10.97	\$10.83	\$10.95	\$10.83
Product Operating & Fixed	\$1.25	\$1.23	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89	\$1.89
Interest & Lease Amortization	\$1.50	\$1.59	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48	\$2.48
Total Brand Cost/Case	\$10.20	\$10.24	\$14.68	\$15.07	\$15.04	\$16.28	\$16.21	\$16.25	\$16.22	\$16.18	\$16.19	\$16.48

Legend

Retail (4.5 x 4.00)	
U	4PK 2PK 200CT
T	6PK 2PK 200CT
	Total Retail
Grocery Outlet (Delightful)	
S3	8PK 2PK 280CT
O	12PK 2PK 280CT
P	24PK 2PK 280CT
M	4PK 2PK 280CT
NN	6PK 2PK 280CT
S2	8PK 2PK 280CT
OO	12PK 2PK 280CT
P2	24PK 2PK 280CT
	Total Retail
Private Label (2 PK 4.5x4.3 280CT)	
M2	4 PK 2PK 280CT
NN	6 PK
S2	8 PK
OO	12 PK
P2	24 PK

Price \$/Case FOB	\$5.62	\$5.02	\$15.15	\$12.85	\$11.51	\$12.15	\$13.15	\$14.41	\$15.21	\$14.41	\$14.41	\$14.41
Shipping \$/Case			\$2.35			\$2.35	\$2.35	\$1.65	\$1.65	\$1.65	\$1.65	\$1.65
Commission %	2.0	2.0	0.0	2.0	2.0	0.0	2.0	2.0	2.0	2.0	2.0	2.0
Net Sales Price %	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Sales Price Delivered	\$5.33	\$5.72	\$15.24	\$12.59	\$11.28	\$15.24	\$15.24	\$15.21	\$14.81	\$15.21	\$15.21	\$15.21
Net Variable Contribution	\$1.87	\$2.30	\$4.60	\$1.93	\$0.98	\$4.31	\$4.37	\$4.30	\$3.93	\$4.38	\$4.37	\$4.68
Gross Profit/Loss/Case												
Before Interest & Lease	\$0.65	\$1.07	\$2.71	\$0.94	(1.31)	2.42	2.48	2.41	2.04	2.48	2.47	2.79
Including Interest & Lease	(0.95)	(15.20)	0.25	(2.42)	(3.78)	(0.06)	0.03	(0.04)	(0.41)	0.04	0.02	0.34

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FIG. 6

002221*29874760

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EBITDA

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	1998	1999	2000	2001	2002
Volante																	
Continental Product - Cramer	118,882	150,701	127,662	170,345	120,345	166,078	173,640	178,830	178,830	178,830	178,830	188,847	1,674,933	2,345,800	2,345,800	2,345,800	2,502,809
Private Ship Time	1079.9	870.5	1079.2	715.0	770.6	587.5	199.1	\$44.0	437.9	\$34.0		304.1	7304.4	107.9	107.9	206.5	275.5
Land Mark	62,210,710	62,277,457	62,336,482	62,544,889	62,571,870	62,846,706	62,479,840	62,785,656	62,790,328	62,787,606	62,790,328	62,471,870	638,046,771	633,170,343	633,170,343	633,170,343	633,805,905
Cost of Goods Sold	\$1,803,281	\$1,814,453	\$1,805,704	\$2,008,529	\$1,742,811	\$2,898,879	\$1,831,915	\$2,187,662	\$2,138,887	\$2,187,592	\$2,178,887	\$1,500,175	\$24,454,726	\$26,383,460	\$26,383,460	\$26,370,348	\$26,368,339
Gross Profit	\$40,134	\$45,403	\$44,099	\$55,541	\$55,569	\$55,644	\$55,655	\$55,655	\$55,655	\$55,655	\$55,655	\$55,655	\$55,655	\$55,655	\$55,655	\$55,655	\$55,655
%Revenue	18.2	20.0	19.1	20.1	20.2	20.4	22.0	21.0	21.2	21.0	21.2	21.2	20.6	24.2	24.2	24.2	21.1
Fixed & Other Operating Expenses	121,625	127,445	127,445	127,445	127,445	127,445	127,445	127,445	127,445	127,445	127,445	127,445	\$1,674,933	\$1,674,933	\$1,674,933	\$1,674,933	\$1,674,933
Competition	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Percent Total	\$100.01	\$100.01	\$100.01	\$100.01	\$100.01	\$100.01	\$100.01	\$100.01	\$100.01	\$100.01	\$100.01	\$100.01	\$100.01	\$100.01	\$100.01	\$100.01	\$100.01
EBITDA	72,638	107,375	107,375	107,375	107,375	107,375	107,375	107,375	107,375	107,375	107,375	107,375	\$24,454,726	\$26,383,460	\$26,383,460	\$26,370,348	\$26,368,339

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FIG. 7

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Brand Cost

← 380

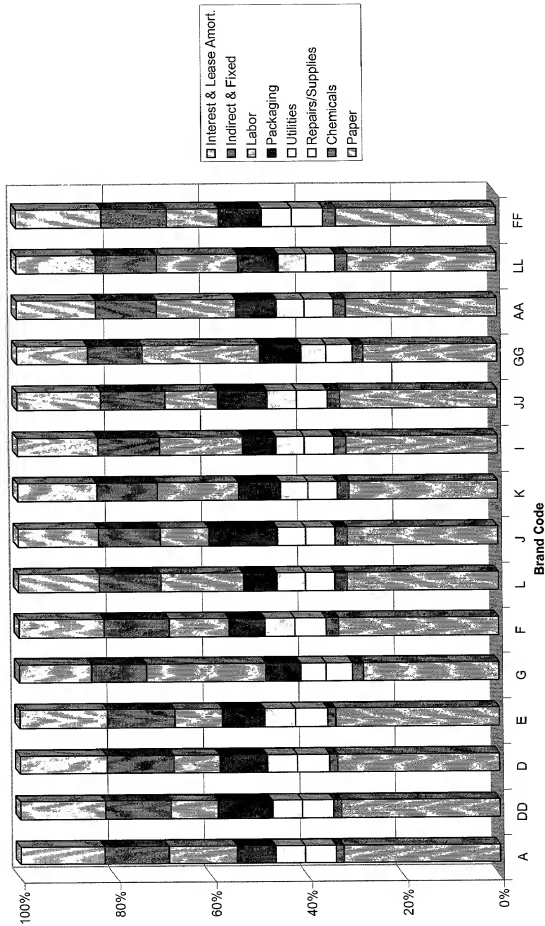


FIG. 13

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Profit Margin

400

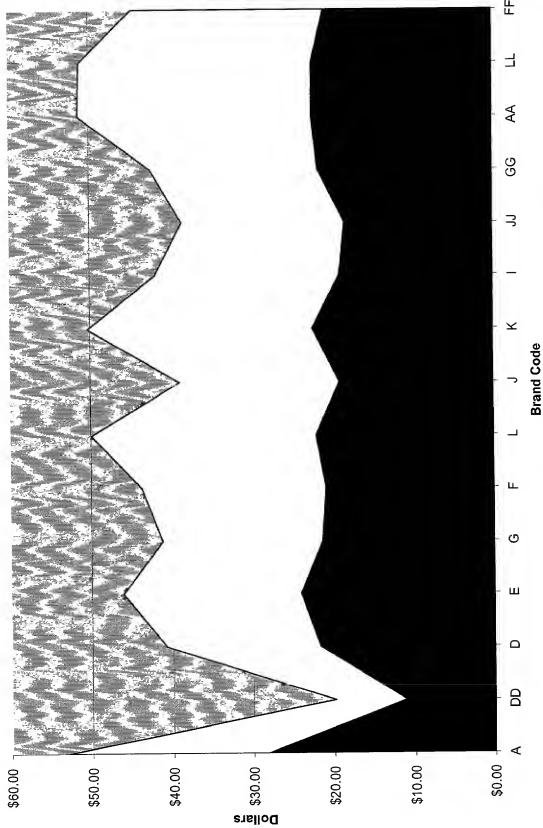


FIG 14

002221-2987460

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Variable Contribution

420

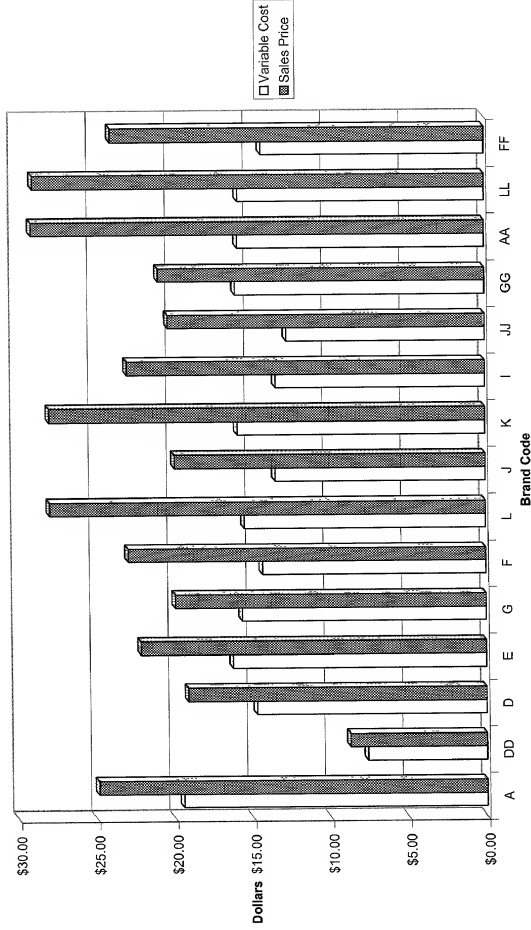


FIG. 15